

State of Hawaii

GUIDELINES
FOR
REPORTING AND REMITTING
UNCLAIMED PROPERTY



State of Hawaii

"Holders of unclaimed property are usually companies, businesses, corporations, partnerships, professional associations, non-profit organizations, private organizations, government entities or state agencies in possession of unclaimed property as defined in 523A, HRS. Holders are required to annually report and escheat unclaimed property to the State of Hawaii Unclaimed Property Program."

Contents

Unclaimed Property Statutes	3
Holder Reporting Guidelines	4
Holder Reporting Requirements	5

References

- **Unclaimed Property Statutes**
http://www.capitol.hawaii.gov/hrscurrent/Vol12_Ch0501-0588/HRS0523A/HRS_0523A-.htm
- **NAUPA Standard Electronic File Format**
<http://www.wagers.net/NaupaSpec/NaupaRevisedStandard.pdf>
- **Holder Request for Reimbursement Form**
<http://www.unclaimed.org/uploads/resources/41/6anaupa-holder-reimbursement-form.pdf>

Unclaimed Property Program

No. 1 Capitol District Building
 250 S. Hotel Street, Room 304

(808) 586-1589

* Chapter 523A of HRS addresses the unclaimed property law. Holders are encouraged to review the statutes and its affects to the holder reporting process.*

- Reference Unclaimed Property Statutes (HRS)
http://www.capitol.hawaii.gov/hrscurrent/Vol12_Ch0501-0588/HRS0523A/HRS_0523A-.htm

Unclaimed Property Law Changes

CHAPTER 523A [NEW]	
[UNCLAIMED PROPERTY]	
Part I. Uniform Unclaimed Property Act	
Section	
523A-1	Short title
523A-2	Definitions
523A-3	<u>Presumptions of abandonment</u>
523A-3.5	Gift certificates and gift cards
523A-4	Contents of safe deposit box or other safekeeping depository
523A-5	Rules of taking custody
523A-6	Dormancy charge
523A-7	Burden of proof as to property evidenced by record of check or draft
523A-8	<u>Report of abandoned property</u>
523A-9	<u>Payment or delivery of abandoned property</u>
523A-10	<u>Notice and publication of lists of abandoned property</u>
523A-11	Custody by State; recovery by holder; defense of holder
523A-12	Crediting of dividends, interest, and increments to owner's account
523A-13	Public sale of abandoned property
523A-14	Claim of another state to recover property
523A-15	Filing claim with administrator; handling of claims by administrator
523A-16	Action to establish claim
523A-17	Election to take payment or delivery
523A-18	Destruction or disposition of property having no substantial commercial value; immunity from liability
523A-19	Periods of limitation
523A-20	Requests for reports and examination of records
523A-21	Retention of records
523A-22	Enforcement
523A-23	Interstate agreements and cooperation; joint and reciprocal actions with other states
523A-24	Interest and penalties
523A-25	Agreement to locate property
523A-26	Deposit of funds
523A-27	Foreign transactions
523A-28	Transitional provisions
523A-29	Rules
523A-30	Uniformity of application and construction

* for viewing purposes only

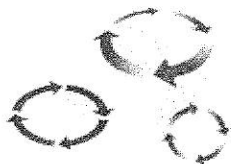


Refer to HRS for complete document(s)

* *Unclaimed property is any financial asset, usually intangible, being held for a person or entity that cannot be located. The unclaimed property law requires holders to report and escheat annually. The following information is provided to assist holders with reporting and remitting unclaimed property.**

The process of reporting and remitting unclaimed property to the State of Hawaii, Unclaimed Property Program is a cycle. A cycle begins six months prior to the November 1 report deadline, holders send written notice to the apparent owner of unclaimed property informing the owner of the intent to escheat the abandoned property to the State. Holders submit a report prior to the Nov 1 deadline, then a list of names and last known addresses of the owners is published by the State. Following the publication, prior to May 1, holders submit an updated report along with remittance of unclaimed property. May 1 is the beginning of the next cycle.

**DATES
TO
REMEMBER**



Holder Reporting Cycle

MAY 1 * Begin Due Diligence

NOV 1 Report Due
Submission of an electronic file

MAR 1 Legal Notice published by the State of Hawaii

MAY 1 Updated Report Due
Remittance Due

* **Begin Due Diligence for the next reporting period**

Remittance payable to: **Director of Finance, State of Hawaii**

Reporting Guidelines

- | STEP 1 | <p>✓ Determine if you are a "holder" of unclaimed property</p> <p>Holders are businesses, organizations, and any other entities in possession of unclaimed property. The most common types of unclaimed property are: savings and checking accounts, checks, warrants, wages, commissions, insurance proceeds, stocks, securities, refunds, or safe deposit box contents.</p> |
|--------|---|
| STEP 2 | <p>✓ Determine if the property has been inactive or dormant long enough to be reported as unclaimed property</p> <p>The type of property reported will determine how long the property must remain abandoned to be considered unclaimed property. Dormancy periods range from one year to fifteen years.</p> |
| STEP 3 | <p>✓ Try to locate the owners</p> <p>Hawaii law requires holders to make a diligent effort to locate owners of property. Efforts must include a written notice, informing the owner that the holder will escheat the property to the State of Hawaii.</p> |
| STEP 4 | <p>✓ File a Report by November 1</p> <p>Holders must report property determined to be unclaimed for owners with a last known address in Hawaii. If the owner's address is unknown, the property is reported to the state where the holder is incorporated. Owner information includes: name, last known address, social security number or taxpayer identification number.</p> |
| STEP 5 | <p>✓ Remit the amount due May 1</p> <p>Following the report in November, holders must file a final report and escheat all unclaimed property. Remittance payable to: Director of Finance, State of Hawaii.</p> |

** It is the responsibility of all businesses and organizations to maintain records and report all unclaimed property to the State of Hawaii. Submission of accurate and thorough owner information is required.**

- Reference: National Association of Unclaimed Property Administrators
NAUPA Standard Electronic File Format: <http://www.wagers.net/NaupaSpec/NaupaRevisedStandard.pdf>

Basic Holder Reporting Requirements

- ▶ Holder Due Diligence
- ▶ Report in NAUPA Standard Electronic File Format
- ▶ Electronic file generated and protected for mailing

▶ Send Reports to:

Mailing Address

**State of Hawaii
Unclaimed Property Program
P.O. Box 150
Honolulu, HI 96810**

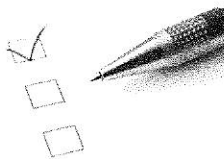
Office Location

**State of Hawaii Unclaimed Property Program
No. 1 Capitol District Building
250 S. Hotel Street, Room 304
Honolulu, HI 96813**

Reporting Considerations

- ▶ A report includes properties abandoned July 1 of the previous year to June 30 of the report year.
- ▶ Life insurance companies report abandoned property for the previous calendar year.
- ▶ Interest-bearing checking accounts or savings accounts must be clearly identified in a holder report.
- ▶ Electronic files are required for holder reports. Reports must include holder contact information and complete owner information.
- ▶ Upon approval, the report deadline may be extended. Holders must request for an extension on business letterhead addressed to: Director of Finance, Kalbert Young prior to the November 1 deadline. Written acknowledgement approving the request will extend the report deadline to January 1.
- ▶ Holders of safekeeping items, please contact our office.
- ▶ First time holders who report abandoned property for multiple years, are required to submit separate files by year. Contact our office for details.

Checklist



Holder Report Submission Requirements

- ✓ Notarized affidavit stating that written notice was sent to the apparent owners of abandoned property
- ✓ Cover sheet including Holder Contact Information
- ✓ Summary listing of property
- ✓ Electronic file: CD checked and verified for evidence of a file,
NAUPA standard file format, protected for mailing
- ✓ Remittance payable to: **Director of Finance, State of Hawaii**